

Brief Summary

United States Department of Agriculture & National Telecommunications and Data Administration Broadband Expansion Programs Notice of Funds Availability

***This document is a summary of the Notice of Funds Availability (NOFA) issued by the United States Department of Agriculture (USDA) and the National Telecommunications and Data Administration (NTIA) in relation to the American Recovery and Reinvestment Act of 2009 (Recovery Act) broadband provisions. You should consult the official NOFA for complete information.

PURPOSE OF PROGRAMS ESTABLISHED BY THE RECOVERY ACT:

The Recovery Act identifies five overall purposes:

1. To preserve and create jobs and promote economic recovery
2. To assist those most impacted by the recession
3. To provide investments needed to increase economic efficiency by spurring technological advances in science and health
4. To invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits
5. To stabilize state and local government budgets

RECOVERY ACT BROADBAND PROGRAMS:

USDA, through its Rural Utility Service division, will administer \$2.5 billion worth of grants and loans in a program called Broadband Initiatives Program (BIP).

NTIA will administer \$4.7 billion in grants under the Broadband Technology Opportunities Program (BTOP).

TIMELINE:

Applications for the first grant cycle accepted: July 14-August 14, 5 p.m. ET

- \$7.2 billion total appropriated for broadband expansion in the Recovery Act
- Approximately \$4 billion allocated through the current Notice of Funds Availability
- Two future grant cycles are anticipated for broadband programs administered by NTIA

ELIGIBLE APPLICANTS/ENTITIES:

The following entities are eligible to apply for assistance to BIP and BTOP:

- States, local governments, or any agency, subdivision, instrumentality, or political subdivision thereof
- The District of Columbia
- A territory or possession of the United States
- An Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. § 450b))
- A native Hawaiian organization
- A non-profit foundation, a non-profit corporation, a non-profit institution, or a non profit association

- Other non-profit entities
- For-profit corporations
- Limited liability companies
- Cooperative or mutual organizations

FUNDING DISTRIBUTION:

Under the current BIP NOFA:

- Up to \$1.2 billion is available for Last Mile projects; these projects may consist of Remote Area projects or Non-Remote projects.
- Up to \$400 million is available for grants for Remote Area projects.
- Up to \$800 million is available for loans or loan/grant combinations for Non-Remote projects.
- Up to \$800 million is available for loans or loan/grant combinations for Middle Mile projects.
- Up to \$325 million is available for a national reserve. These funds may be used to augment the BIP funding categories established above, or remain unused for subsequent NOFAs.
- All awards under BIP must be made no later than September 30, 2010.

Up to \$1.4 billion is available to be awarded through the current BTOP NOFA and will be allocated in the following categories:

- Broadband Infrastructure projects will be awarded no greater than \$1.2 billion.
- Public Computer Center projects will be awarded no greater than \$50 million.
- Sustainable Broadband Adoption projects will be awarded no more than \$150 million.
- Up to \$200 million is available for a national reserve. These funds may be used to augment the BTOP funding categories established above, or remain unused for subsequent NOFAs.
- All awards under BTOP must be made no later than September 30, 2010.

BIP DETAILS (application considerations, scope, etc.):

- Proportion of rural residents served
- Rural area targeting
- Remote area targeting
- Title II Borrowers
- Recovery Act and other governmental collaborations
- Performance of the offered service (last mile projects; middle mile projects)
- Affordability of service offered
- Choice of provider
- Critical community facilities
- Applicant's organizational capability
- Community support
- Ability to promptly start project
- Disadvantaged/small business
- Reasonableness of the budget
- Leverage of outside resources

- Extent of grant funding

BTOP DETAILS (scope, etc.):

- Project purpose: Recovery act and other governmental collaboration; enhanced service for health care delivery, education and children; socially and economically disadvantaged small business
- Project benefits: Last Mile projects: cost effectiveness; performance of offered service; affordability of services offered; nondiscrimination, interconnection and choice of provider
 - Middle Mile projects: impact on the area; level of need in the area; network capacity; affordability of services offered; nondiscrimination, interconnection and choice of provider
- Public Computer Center: availability to the public; training and educational programs offered; availability and qualifications of consulting and teaching staff
- Sustainable broadband adoption: number of new users; cost per new user; innovation
- Project viability: technical feasibility; applicant's organizational capability; level of community involvement; ability to promptly start the project
- Project budget and sustainability: reasonableness of the budget; sustainability of the project; leverage of outside resources

STATE ROLE:

All states will be provided an opportunity to make recommendations concerning the allocation of funds for qualifying projects in or affecting the individual states during step two of the BTOP application process, regardless of their participation in the State Broadband Data and Development Grant Program. During step two of the BTOP application process, the Governor's office of each state will receive a list of the applications under consideration. States may provide a list and prioritization of recommended projects, along with an explanation of why the selected proposals meet the greatest needs of the state. States are strongly encouraged to provide mapping and planning data to support their recommendations. States participating in the State Broadband Data and Development Grant Program may rely on their submission under that program to fulfill this request. All states will have 20 calendar days from the date of notification to submit to NTIA their recommendations.